

Lessons on How to Compete for a USDOT TIGER Grant

Presented by the Office of the Assistant Secretary for Transportation Policy United States Department of Transportation

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Fort Worth, TX

Portland, OR



- \$527 million multimodal, merit-based discretionary grant program
- \$140 million for rural areas
- Up to \$150 million for TIFIA payments

- Last round the average award was \$13.25 million
- Geographic diversity requirement



2011 Application Process

August 22nd

- Pre-Application Registration

October 3rd

- Pre-Applications Due

October 4th

- Final Applications Open

October 31st

- Final Applications Due



Changes from TIGER 2

- No Planning Funds this round
- 3 Application Limit (per sponsor)
- TIFIA Letter of Interest



Keys to Competitive Applications

- Eligibility
- Address Criteria and Outcomes
- Clarity
- Leveraging Investment
- Project Segmentation
- Benefit-Cost Analysis
- Project Readiness/NEPA
- TIFIA Challenge
- Rural & Tribal Applicants
- Highly Competitive Projects
- Applicant Pitfalls
- Planned Technical Assistance



Eligibility

- Surface transportation capital projects only
- Open to state, tribal, and local entities, and other subdivisions
- Private entities, including non-profits, must partner with a public lead
- Rural grants: \$1 million minimum (no match req)
- Urbanized area grants: \$10 million minimum (20% match)
- Eligible ≠ Competitive



Address Criteria and Outcomes

- Application outline in the NOFA
- Describe how project addresses challenge
- Detail how federal funds will be used
- Address the selection criteria

Primary Criteria

- State of Good Repair
- Economic Competitiveness
- Livability
- Environmental Sustainability
- Safety
- Job Creation/Near-Term Economic

Secondary Criteria

- Innovation
- Partnership



Clarity

- Ensure project descriptions are clear and concise
- Pictures and maps are helpful
- Focus on why project is compelling
- Staff and experts may review 100-200 applications within a short period of time



Leveraging Investment

- Matching state and local funds with private funds helps demonstrate commitment = more competitive
- First round: TIGER grantees delivered \$4.5 billion in matching funding for TIGER's \$1.5 billion
- Public-private projects must demonstrate significant public benefits



Project Segmentation

- Clearly identify multiple project elements if the project is segmentable
- Segments must have "independent utility"
 - Provides transportation benefits
 - Will be ready for use when complete
- Phases must complete operable segment



Benefit-Cost Analysis

- Demonstrate demand for the project
 - include good ridership/"usership" estimates
- Document benefit-cost calculations and references for monetized values
- Show the net societal benefits of the project
 - not just local benefits



Benefit-Cost Analysis (cont.)

- Be cautious in estimating job-related benefits
- Be cautious in estimating real estate investment benefits
 - Consider costs and benefits of more land development
- Estimate safety benefits based on good crash data and valid analysis of cause
- Review <u>2010 Benefit Cost Analysis Webcast</u>



Project Readiness/NEPA

- Projects that are ready to move to construction quickly are given priority
- Document where the project is in the NEPA process
- Initiate NEPA in advance of the application process, if possible
- If the project expects a CE determination, demonstrate why this is justified



TIFIA Challenge

- Up to \$150 million available for TIGER TIFIA Payments
- Also required to submit a TIFIA letter of interest
- Must demonstrate that the loan is ready to close on or before September 30, 2013



Rural Applicants

- Rural Areas any area not in an Urbanized Area (pop. 50,000), as defined by the Census Bureau
- \$1 million minimum grant
- No match requirement
 - Competitive applications often feature a match



Highly Competitive Projects

- Multimodal projects, coordinated investment from other sources and programs
- Demonstrate project benefits across selection criteria
- New partnerships, multi-jurisdictional cooperation
- Public-private partnerships
- Support key national priorities
- Non-traditional or hard to fund projects



Application Pitfalls

- Ineligibility: applicants and projects
- Priorities/outcomes not aligned with selection criteria
- Project readiness
- Insufficient matching funds, lack of demonstration
- Non-construction requests: O/M assistance, ROW
- Grouping unrelated projects



Technical Assistance

- USDOT offers technical assistance to help applicants through the TIGER process
- Preparation of benefit cost analysis
- Previous TIGER application debriefs
- Special Topics Webinars



Additional Application Help

TIGER Website: www.dot.gov/tiger/

Special Topics Webinars

July 27th

- "Talking Freight"

August 17th

- Benefit Cost Analysis

August 22nd

- Project Readiness/NEPA

August 24th

- Public Private Partnerships & TIFIA

August 24th

- Rural and Tribal Applications

August 30th

- MARAD Port Outreach



For This Year's Round...

- Focus on best project(s) those that align well with the program's selection criteria
- Develop an application that your neighbor could read and understand
- Questions sent to <u>TIGERGrants@dot.gov</u>







Question and Answer Session

